GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3798
ANSWERED ON:05.08.2014
PRICES OF MEDICINES
Paswan Shri Kamlesh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether permission has been sought by any company from the Government/National Pharma Pricing Authority (NPPA) to increase the price of any medicine;

(b) if so, the names of such companies and the details of such medicines for which the permission has been granted by the Government to increase the prices;

(c) whether the Government proposes to strengthen the research and development for exploring the possibility of production/ manufacturing the medicines at lower cost

(d) if so, the details thereof and the steps taken by the Government in this regard; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI NIHAL CHAND)

(a) & (b): As per para 16 (2) of Drugs (Prices Control) Order, 2013 (DPCO, 2013), the manufacturers may, under intimation to National Pharmaceutical Pricing Authority (NPPA), increase the maximum retail price (MRP) of scheduled formulations once in a year, in the month of April, on the basis of the wholesale price index with respect to previous calendar year and no prior approval of the Government in this regard shall be required. As regards, non-scheduled formulations, the manufacturers are required to ensure that the maximum retail price of a drug is not increased more than ten percent of maximum retail price during preceding twelve months.

(c) to (e):The Department of Science & Technology under Ministry of Science & Technology has been implementing a Plan Scheme (Drugs & Pharmaceuticals Research Programme − DPRP) since 1994-95 for promoting R&D in Drugs & Pharmaceutical Sector with the following objectives:
To synergise the strengths of publicly funded R&D institutions and Indian Pharmaceutical Industry;
To create an enabling infrastructure, mechanisms and linkages to facilitate new drug development;
To stimulate skill development of human resources in R&D for drugs and pharmaceuticals;
To extend soft loan for Pharma Industrial R&D Projects;
To enhance the nation's self-reliance in drugs and pharmaceuticals especially in areas critical to national health requirements.

Under this programme as on today 110 industries - institutional alliances both in modern and Indian systems of medicine including veterinary drugs have been funded. The programme has supported R&D projects on Tuberculosis, Malaria, Diarrhoea, Filariasis, Diabetes, Psychosomatic disorders, Kala Azar, Cataract, Cancer, Dementia, HIV/AIDS, Anti Fungal, Anti Virals, Anti Cancer, Anti Bacterial, Anti Rabies, Anti Obesity, Anti Asthma, Arthritis, Anti Amoebisis etc., vaccine for Dengue, Japanese Encephalitis, Hepatitis-B etc.

48 state-of-the art infrastructure for Pharmaceutical R&D have been created in different premier institutions and Universities on Bio-availability, Pharma informatics, Regulatory Toxicology, Safety Pharmacology at NIPER, Mohali, Pharmacokinetic & Metabolic Studies, Regulatory Pharmacology & Toxicology, Medium Throughput Screening at CDRI Lucknow; Transgenic & Gene Knockout Mice, Clinical Research facility to Stem Cell Technologies and regenerative medicine, Biosafety Level 4 Laboratory at CCMB, Hyderabad, Bioequivalence, Pharmacovigilance, New Chemical Entities development, Animal Facility for Indian System of Medicine etc. have been created in other Universities & Institutions.

Since 2004-05, the programme extended 73 soft Loans for Indian Pharma Industry R&D projects at a simple interest rate of 3% per annum with repayment duration of 10 years. Also from 2008-09, the programme supported three grants-in-aid projects to Indian Pharma industries for conducting clinical trials in neglected diseases such as malaria, Kala-azar etc.

CSIR (Council of Scientific &Industrial Research) is pursuing activities under Open Source Drug Discovery (OSDD) programme to address problems relatedto drug discovery for tuberculosis. OSDD is a CSIR led Team India Consortium with Global Partnership with a vision to provide affordable healthcare. Further CSIR transferred innovative processes for manufacturing generic drugs at low costs

to industry. CSIR- Institute of Microbial Technology (CSIR-IMTech), Chandigarh developed Natural Streptokinase and commercialized it through industry. As a result, the prices of the imported brands were 'forced' to be reduced substantially, resulting in a major saving to the Indian Consumer. Institute further developed Recombinant Streptokinase and commercialized it through an industry. This product has also brought down the prices significantly.

In addition, the Department of Biotechnology has set up BIRAC (Biotechnology Industry Research Assistance Council) as a Public Sector Undertaking to promote and nurture innovation R&D in the Biotech Industry especially Startup's and Small Companies. The emphasis is on innovation research for affordable product development. A number of projects have been funded for discovery, proof of concept, early and late stage development and validation including clinical trials. Research on small molecules for development of drugs and vaccines is being supported.